

**IN THE UNITED STATES DISTRICT COURT**  
**FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

<b>UNITED STATES OF AMERICA</b>	: <b>CRIMINAL NO.:</b> _____
	<b>DATE FILED:</b> _____
<b>v.</b>	: <b>VIOLATIONS: 18 U.S.C. § 1962(c)</b>
	<b>(RICO - 1 count)</b>
<b>JOSEPH DAVIDSON, D.C.</b>	: <b>18 U.S.C. § 1347 (health care fraud - 2</b>
<b>LAMONT MCLAURIN</b>	<b>counts)</b>
<b>CHRISTOPHER BOUCHER, D.C.</b>	:
<b>BRIAN TORCHIN, D.C.</b>	

**I N F O R M A T I O N**

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**COUNT ONE**

**THE UNITED STATES ATTORNEY CHARGES THAT:**

At all times material to this Information:

**PARTICIPATION IN THE ENTERPRISE**

1.       From on or about August 8, 1995 to on or about April 17, 2001, in the Eastern District of Pennsylvania and elsewhere, defendants

**JOSEPH DAVIDSON, D.C.**  
**LAMONT MCLAURIN**

and others known and unknown to the United States Attorney, being persons employed by and associated with the enterprise, as described more fully below, knowingly, unlawfully, and willfully conducted and participated, directly and indirectly, in the conduct of the affairs of the enterprise, which was engaged in, and the activities of which affected, interstate commerce, through a pattern of racketeering activity consisting of the commission of Racketeering Acts 1 through 4 set forth in paragraphs 8 through 93 of this Count.

## **THE ENTERPRISE**

2. The enterprise, as that term is defined in Title 18, United States Code, Section 1961(4), consisted of a group of persons, including members and associates, and legal entities associated in fact, that is:

a. Defendant Joseph Davidson, D.C., was a chiropractor, licensed to practice chiropractic in the Commonwealth of Pennsylvania. He served as President and Chief Executive Officer of the entities comprising the Davidson Enterprise.

b. Defendant Lamont McLaurin was a security officer for the South Eastern Pennsylvania Transportation Authority (SEPTA). He staged phony automobile accidents, committed arson, and attempted to extort a competing doctor, on behalf of the Davidson Enterprise.

c. Davidson Medical Group was a legal entity incorporated in the Commonwealth of Pennsylvania on August 28, 1995, under TIN 23-2807165, at 1327 DeKalb Street, Norristown, Pennsylvania. Defendant Joseph Davidson was the owner of record and de facto CEO of the Davidson Medical Group.

d. West Philadelphia Therapy was a legal entity incorporated in the Commonwealth of Pennsylvania on December 17, 1996, under TIN 23-2874903, at 4006 Lancaster Avenue, Philadelphia, Pennsylvania. Defendant Joseph Davidson was the de facto owner of West Philadelphia Therapy.

e. South Philadelphia Therapy was a legal entity incorporated in the Commonwealth of Pennsylvania on May 8, 1998, under TIN 23-2874903, at 1801 South 20th Street, Philadelphia, Pennsylvania. Defendant Joseph Davidson was the de facto owner of South

Philadelphia Therapy.

f. North Philadelphia Therapy was a legal entity incorporated in the Commonwealth of Pennsylvania on July 1, 1997, under TIN 23-2763483, at 5729 Broad Street, Philadelphia, Pennsylvania. Defendant Joseph Davidson was the de facto owner and CEO of North Philadelphia Therapy.

g. Center City Medical was a legal entity incorporated in the Commonwealth of Pennsylvania on December 17, 1996, under TIN 23-2874904, at 1329 Race Street, Philadelphia, Pennsylvania. Defendant Joseph Davidson was the owner and CEO of Center City Medical.

All of which are collectively referred to in this Count as the “Davidson Enterprise.” The Davidson Enterprise constituted an ongoing organization whose members functioned as a continuing unit for a common purpose of achieving the objectives of the enterprise. The Davidson Enterprise was engaged in, and its activities affected, interstate commerce.

**PURPOSE, MEANS AND METHODS  
OF THE ENTERPRISE**

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**Purposes of the Enterprise**

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3. The purposes of the Davidson Enterprise included the following:

a. Enriching the members and associates of the enterprise through, among other things, mail fraud.

b. Preserving and protecting the power, territory and profits of the enterprise through the use of intimidation, violence, threats of violence and assaults.

c. Promoting and enhancing the enterprise and its members and associates’ activities.

d. Keeping competitors of the enterprise and potential competitors in fear of the enterprise

and in fear of its members and associates through threats of violence and violence.

### **Roles of the Defendants**

\_\_\_\_\_ The defendants named below participated in the operation and management of the Davidson Enterprise:

4. Joseph Davidson, D.C., was a chiropractor, licensed to practice chiropractic in the Commonwealth of Pennsylvania. He served as President and Chief Executive Officer of the entities comprising the Davidson Enterprise.

5. Lamont McLaurin was a security officer for the South Eastern Pennsylvania Transportation Authority (SEPTA). He staged phony automobile accidents, committed arson, and assaulted a competing doctor, on behalf of the Davidson Enterprise.

6. Defendant Joseph Davidson was the leader of the Davidson Enterprise who directed other members of the Enterprise, including defendant Lamont McLaurin, in carrying out unlawful and other activities in furtherance of the conduct of the Davidson Enterprise's affairs.

### **Means and Methods of the Enterprise**

7. Among the means and methods by which the defendants and their associates conducted and participated in the conduct of the affairs of the enterprise were the following:

- a. Members of the enterprise and their associates staged phony automobile accidents to allow fake patients to falsely claim injury, pretend to receive medical treatment, and pursue fraudulent personal injury settlements.
- b. Members of the enterprise and their associates submitted false health care

reimbursement claims to health care benefit programs for treatment never provided.

c. Members of the enterprise and their associates falsified medical records and documents to give the appearance that legitimate medical treatment was provided when medical treatment was not in fact provided.

d. Members of the enterprise and their associates purchased health care plans for employees for the sole purpose of submitting false reimbursement claims, under those plans, for treatment never provided.

e. Members of the enterprise and their associates intimidated competing chiropractors by setting fire to a competitor's chiropractic offices and by ordering assaults on a competing chiropractor.

### **Staged Accidents**

March 25, 1997

8. In or about March 1997, defendants Joseph Davidson and Lamont McLaurin agreed to stage a phony automobile accident to allow fake patients to falsely claim injury and pursue personal injury settlements.

9. In or about March 1997, defendant Joseph Davidson paid defendant Lamont McLaurin approximately \$1,000 to recruit individuals to pose as fake automobile accident victims, stage a phony accident, and steer the fake patients to one of the Davidson Enterprise medical offices.

10. On or about March 25, 1997, defendant Lamont McLaurin staged a phony two-vehicle accident at Allegheny and Henry Avenues in Philadelphia, involving eight individuals

who agreed to pose as fake patients and pursue fraudulent personal injury settlements.

11. On or about March 25, 1997, defendant Lamont McLaurin caused a false report to be made to the Philadelphia Police Department regarding the staged two-vehicle accident.

12. Between March 25, 1997 and October 8, 1997, defendant Lamont McLaurin directed fake patients S.K., W.C., S.G., W.S., and J.J., known to the United States Attorney, to West Philadelphia Therapy where they received no actual or medically-necessary treatment.

13. Between March 25, 1997, and October 8, 1997, defendant Joseph Davidson caused chiropractors and other employees at West Philadelphia Therapy to create false medical records and reports reflecting treatment provided to S.K., W.C., S.G., W.S., and J.J.

14. Between March 25, 1997 and October 8, 1997, defendant Joseph Davidson caused false health care reimbursement forms to be mailed via United States mail to State Farm Insurance Company ("State Farm"), seeking reimbursement for medical treatment neither required nor provided to S.K., W.C., S.G., W.S., and J.J.

15. Between March 25, 1997 and September 25, 1997, fake patients E.M., G.S., and D.G. pursued unnecessary treatment at an unrelated medical facility in order to pursue fraudulent personal injury settlements.

16. Between September 4, 1997 and October 8, 1997, defendant Joseph Davidson caused a final medical report to be mailed via United States mail on behalf of S.K., W.C., S.G., W.S., and J.J. to an attorney, knowing the false medical report and false reimbursement claims would be used to pursue a fraudulent personal injury settlement.

17. Between March 24, 1997 and October 8, 1997, State Farm received false health care reimbursement claims in an aggregate amount of \$74,982.00 based on the staged automobile accident and subsequent fictitious treatment orchestrated by defendants Joseph Davidson and Lamont McLaurin.

18. Between March 24, 1997 and October 8, 1997, State Farm received settlement demands from various attorneys representing the fake victims of the staged accident seeking an aggregate amount of approximately \$150,000.

April 12, 1997

19. In or about April, 1997, defendants Joseph Davidson and Lamont McLaurin agreed to stage a phony automobile accident to allow fake patients to falsely claim injury and pursue fraudulent personal injury settlements.

20. In or about April, 1997, defendant Joseph Davidson paid defendant Lamont McLaurin approximately \$1,000 to recruit individuals to pose as fake automobile accident victims, stage a phony accident, and steer the fake patients to one of the Davidson Enterprise medical offices.

21. On or about April 12, 1997, defendant Lamont McLaurin staged a phony two-vehicle accident at 23<sup>rd</sup> and Fox Streets in Philadelphia, involving ten individuals who agreed to pose as fake patients and pursue fraudulent personal injury settlements.

22. On or about April 12, 1997, defendant Lamont McLaurin caused a false report to be made to the Philadelphia Police Department regarding the staged two-vehicle accident.

23. Between April 12, 1997 and August 28, 1997, defendant Lamont

McLaurin directed fake patients S.J., S.J.1, S.J.2, D.J. and R.S., known to the United States Attorney, to West Philadelphia Therapy where they received no actual or medically-necessary treatment.

24. Between April 12, 1997, and August 28, 1997, defendant Joseph Davidson caused chiropractors and other employees at West Philadelphia Therapy to create false medical records and reports reflecting treatment provided to S.J., S.J.1, S.J.2, D.J. and R.S.

25. Between April 12, 1997 and August 28, 1997, defendant Joseph Davidson caused false health care reimbursement forms to be mailed via United States mail to State Farm, seeking reimbursement for medical treatment neither required nor provided to S.J., S.J.1, S.J.2, D.J. and R.S.

26. On or about August 28, 1997, defendant Joseph Davidson caused a final medical report to be mailed via United States mail on behalf of S.J., S.J.1, S.J.2, D.J. and R.S. to an attorney, knowing the false medical report and false reimbursement claims would be used to pursue a fraudulent personal injury settlement.

27. Between April 12, 1997 and September 30, 1997, fake patient S.S. received no actual or medically-necessary treatment at Center City Medical.

28. Between April 12, 1997 and September 30, 1997, defendant Joseph Davidson caused chiropractors and other employees at Center City Medical to create false medical records and reports reflecting treatment provided to S.S.

29. Between April 12, 1997 and September 30, 1997, defendant Joseph Davidson caused false health care reimbursement forms to be mailed via United States mail to State Farm, seeking reimbursement for medical treatment neither required nor provided to S.S.



30. On or about October 1, 1997, defendant Joseph Davidson caused a final medical report to be mailed via United States mail on behalf of S.S. to an attorney, knowing the false medical report and false reimbursement claims would be used to pursue a fraudulent personal injury settlement.

31. Between April 12, 1997 and October 1, 1997, State Farm received false health care reimbursement claims in an aggregate amount of \$51,826 based on the staged automobile accident and subsequent fictitious treatment orchestrated by defendants Joseph Davidson and Lamont McLaurin.

32. Between April 12, 1997 and September 21, 1998, State Farm received settlement demands from various attorneys representing the fake victims of the staged accident seeking an aggregate amount of approximately \$300,000.

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December 13, 1997

33. In or about December, 1997, defendants Joseph Davidson and Lamont McLaurin agreed to stage a phony automobile accident to allow fake patients to falsely claim injury and pursue fraudulent personal injury settlements.

34. In or about December, 1997, defendant Joseph Davidson paid defendant Lamont McLaurin approximately \$1,000 to recruit individuals to pose as fake automobile accident victims, stage a phony accident, and steer the fake patients to one of the Davidson Enterprise medical offices.

35. On or about December 13, 1997, defendant Lamont McLaurin staged a phony two-vehicle accident at 23<sup>rd</sup> and Fox Streets in Philadelphia, involving three individuals who agreed to pose as fake patients and pursue fraudulent personal injury settlements.

36. On or about December 13, 1997, defendant Lamont McLaurin caused a false report to be made to the Philadelphia Police Department regarding the staged hit-and-run accident.

37. Between December 13, 1997 and April 22, 1998, defendant Lamont McLaurin directed fake patients E.C., T.D. and R.J., known to the United States Attorney, to North Philadelphia Therapy, where they received no actual or medically-necessary treatment.

38. Between December 13, 1997, and April 22, 1998, defendant Joseph Davidson caused chiropractors and other employees at North Philadelphia Therapy to create false medical records and reports reflecting treatment provided to E.C., T.D. and R.J.

39. Between December 13, 1997 and April 22, 1998, defendant Joseph Davidson caused false health care reimbursement forms to be mailed via United States mail to Erie Insurance Company (“Erie”), seeking reimbursement for medical treatment neither required nor provided to E.C., T.D. and R.J.

40. On or about April 22, 1998, defendant Joseph Davidson caused a final medical report to be mailed via United States mail on behalf of E.C., T.D. and R.J. to an attorney, knowing the false medical report and false reimbursement claims would be used to pursue a fraudulent personal injury settlement.

41. Between December 13, 1997 and April 22, 1998, Erie received false health care reimbursement claims in an aggregate amount of approximately \$15,000 based on the staged automobile accident and subsequent fictitious treatment orchestrated by defendant Joseph Davidson.

42. Between December 13, 1997 and November 2, 1998, Erie received

settlement demands from various attorneys representing the fake victims of the staged accident seeking an aggregate amount of \$30,900.

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May 25, 1998

43. In or about May, 1998, defendants Joseph Davidson and Lamont McLaurin agreed to stage a phony automobile accident to allow fake patients to falsely claim injury and pursue fraudulent personal injury settlements.

44. In or about May, 1998, defendant Joseph Davidson paid defendant Lamont McLaurin approximately \$1,000 to recruit individuals to pose as fake automobile accident victims, stage a phony accident, and steer the fake patients to one of the Davidson Enterprise medical offices.

45. On or about May 25, 1998, defendant Lamont McLaurin staged a phony two-vehicle accident at Fox and Roberts Streets in Philadelphia, involving six individuals who agreed to pose as fake patients and pursue personal injury settlements.

46. On or about May 25, 1998, defendant Lamont McLaurin caused a false report to be made to the Philadelphia Police Department regarding the staged two-vehicle accident.

47. Between May 25, 1998 and November 5, 1998, defendant Lamont McLaurin directed fake patients S.A. and T.A. to Center City Medical, where they received no actual or medically-necessary treatment.

48. Between May 25, 1998 and November 5, 1998, defendant Joseph Davidson caused chiropractors and other employees at Center City Medical to create false medical records and reports reflecting treatment provided to S.A. and T.A.

49. Between May 25, 1998 and November 5, 1998, defendant Joseph Davidson caused false health care reimbursement forms to be mailed via United States mail to State Farm, securing reimbursement for medical treatment neither required by, nor provided to, S.A. and T.A.

50. Between May 25, 1998 and October 16, 1998, fake patients R.T., J.R., B.T. and G.E. received no actual or medically-necessary treatment at South Philadelphia Therapy.

51. Between May 25, 1998 and October 16, 1998, defendant Joseph Davidson caused chiropractors and other employees at South Philadelphia Therapy to create false medical records and reports reflecting treatment provided to R.T., J.R., B.T. and G.E.

52. Between May 25, 1998 and October 16, 1998, defendant Joseph Davidson caused false health care reimbursement forms to be mailed via United States mail to State Farm, seeking reimbursement for medical treatment neither required nor provided to R.T., J.R., B.T. and G.E.

53. On or about November 5, 1998, defendant Joseph Davidson caused a final medical report to be mailed via United States mail on behalf of S.A. and T.A. to an attorney, knowing the false medical report and false reimbursement claims would be used to pursue a fraudulent personal injury settlement.

54. Between May 25, 1998 and November 5, 1998, State Farm received false health care reimbursement claims in an aggregate amount of \$39,825 based on the staged automobile accident and subsequent fictitious treatment orchestrated by defendants Joseph Davidson and Lamont McLaurin.

55. Between December 1, 1998 and August 24, 1999, State Farm received

settlement demands from various attorneys representing the fake victims of the staged accident seeking an aggregate amount of \$215,000.

56. Between March 24, 1997 and August 24, 1999, State Farm and Erie received false health care reimbursement claims, and settlement demands from various attorneys representing the fake victims of 4 staged accidents, seeking an aggregate amount of approximately \$877,533.

#### **Upcoding and Double Billing**

57. Between August 28, 1995 and April 17, 2001, defendant Joseph Davidson engaged in and directed his employees to engage in the fraudulent practices of double billing and upcoding to obtain reimbursements from health care benefit plans in excess of \$3,830,750 to which the Davidson Enterprise was not entitled.

58. Between August 28, 1995 and April 17, 2001, defendant Joseph Davidson engaged in the practice of upcoding, that is, he falsely claimed and caused his employees to falsely claim the highest reimbursement rate for comprehensive office visits when only a much lower reimbursement rate was justified for the routine office visits.

59. Between August 28, 1995 and April 17, 2001, defendant Joseph Davidson engaged in the practice of double billing, that is, he claimed and caused his employees to falsely claim a separate reimbursement for treatment already covered by a comprehensive reimbursement code for bundled services.

#### **False Claims for Exercise Therapy and Electrical Stimulation**

60. Between December 17, 1996 and April 1, 1998, defendant Joseph

Davidson submitted and directed others to submit false claims to health care benefit plans for exercise therapy never provided to patients. As a result, the Davidson Enterprise fraudulently obtained approximately \$2.4 million in reimbursement for exercise therapy purportedly provided at West Philadelphia Therapy, even though West Philadelphia Therapy had no operational exercise equipment with which to perform such therapy.

61. Between January 1, 1997 and July 1, 1997, defendant Joseph Davidson falsely claimed and directed others to falsely claim reimbursement for electrical stimulation never provided to patients. As a result, the Davidson Enterprise fraudulently obtained approximately \$100,000 in reimbursement for electrical stimulation never provided to patients at West Philadelphia Therapy.

#### **Ghost Visits**

62. Between August 28, 1995 and April 17, 2001, defendant Joseph Davidson falsely claimed reimbursement from health care benefit plans for medical treatments and services never provided to patients, for dates when the patients were not even scheduled for treatment. As a result, the Davidson Enterprise fraudulently obtained three times the reimbursements to which it was entitled by claiming reimbursements for “ghost visits.”

63. Between August 28, 1995 and April 17, 2001 at the Davidson Medical Group, defendant Joseph Davidson falsely documented over 8,000 ghost visits to fraudulently obtain in excess of \$1,500,000 in reimbursements to which the Davidson Enterprise was not entitled.

#### **THE PATTERN OF RACKETEERING ACTIVITY**

64. The pattern of racketeering activity, as defined by 18 U.S.C. §§ 1961(1)

and 1961(5), consisted of the following acts:

**Racketeering Act 1: Mail Fraud**

65. The defendants named below committed the following acts of racketeering, any one of which constitutes the commission of Racketeering Act 1:

66. On or about the dates listed below, in the Eastern District of Pennsylvania and elsewhere, defendants

**JOSEPH DAVIDSON and  
LAMONT MCLAURIN**

having devised and intended to devise a scheme and artifice to defraud health care benefit programs, insurance companies, self-insured employers and others, and for the purpose of obtaining money and property by means of false and fraudulent pretenses, representations, and promises, and for the purpose of executing the scheme and artifice and attempting to do so, knowingly caused to be delivered by mail on the approximate dates listed below, according to the directions thereon, false health care reimbursement claims and letters and medical reports addressed to personal injury attorneys representing patients purportedly treated by Davidson Enterprise doctors, in violation of Title 18, United States Code, Section 1341:

**Racketeering  
Act**

	<b>Date</b>	<b>Mailed Matter</b>
1(a)	4/2/97	<b>March 25, 1997 Staged Accident:</b> False claim for \$260 from Davidson Medical Group to State Farm (S.K.)

**Racketeering  
Act**

	<b>Date</b>	<b>Mailed Matter</b>
1(b)	4/2/97	<b>March 25, 1997 Staged Accident:</b> False claim for \$260 from Davidson Medical Group to State Farm (S.G.)

- |      |          |  |
|------|----------|--|
| 1(c) | 4/16/97  | <b>April 12, 1997 Staged Accident:</b> False claim for \$275 from Davidson Medical Group to State Farm (S.S.)    |
| 1(d) | 4/18/97  | <b>April 12, 1997 Staged Accident:</b> False claim for \$260 from Davidson Medical Group to State Farm (S.J.)    |
| 1(e) | 12/20/97 | <b>December 13, 1997 Staged Accident:</b> False claim for \$305 from Davidson Medical Group to State Farm (E.C.) |
| 1(f) | 12/20/97 | <b>December 13, 1997 Staged Accident:</b> False claim for \$305 from Davidson Medical Group to State Farm (T.D.) |
| 1(g) | 6/10/98  | <b>May 25, 1998 Staged Accident:</b> False claim for \$140 from Davidson Medical Group to State Farm (S.A.)      |
| 1(h) | 7/15/98  | <b>December 13, 1997 Staged Accident:</b> False claim for \$305 from Davidson Medical Group to State Farm (R.J.) |
| 1(i) | 7/27/98  | <b>May 25, 1998 Staged Accident:</b> False claim for \$175 from Davidson Medical Group to State Farm (R.T.)      |
| 1(j) | 9/16/98  | <b>May 25, 1998 Staged Accident:</b> False claim for \$275 from Davidson Medical Group to State Farm (T.A.)      |
| 1(k) | 12/17/98 | <b>May 25, 1998 Staged Accident:</b> False claim for \$175 from Davidson Medical Group to State Farm (G.E.)      |
| 1(l) | 12/17/98 | <b>May 25, 1998 Staged Accident:</b> False claim for \$175 from Davidson Medical Group to State Farm (B.T.)      |

**Racketeering Act 2: Mail Fraud**

67. The defendant named below committed the following acts of racketeering, any one of which constitutes the commission of Racketeering Act 2:

68. On or about the dates listed below, in the Eastern District of Pennsylvania and elsewhere, defendant

**JOSEPH DAVIDSON**



having devised and intended to devise a scheme and artifice to defraud health care benefit programs, insurance companies, self-insured employers and others, and for the purpose of obtaining money and property by means of false and fraudulent pretenses, representations, and promises, and for the purpose of executing the scheme and artifice and attempting to do so, knowingly caused to be delivered by mail on the approximate dates listed below, according to the directions thereon, false health care reimbursement claims and letters and medical reports addressed to personal injury attorneys representing patients purportedly treated by Davidson Enterprise doctors, in violation of Title 18, United States Code, Section 1341:

**Racketeering**

<b>Act</b>	<b>Date</b>	<b>Mailed Matter</b>
2(a)	8/10/99	<b>Ghost Visits:</b> False claims totaling \$715 from Davidson Medical Group to Blue Cross Insurance Company (“Blue Cross”) for dates 4/13/99, 4/20/99, 4/27/99, 5/4/99, 5/11/99, 5/18/99 (W.G., starting 7/16/99)
2(b)	9/22/99	<b>Upcoding and Double Billing:</b> False claim from Davidson Medical Group to State Farm for treatment code 99205 which requires 60 minutes face-to-face contact with patient, and treatment codes 95851 and 97535, each of which is already included in treatment code 99205 (K.O. 9/7/99)
2(c)	9/22/99	<b>Upcoding and Double Billing:</b> False claim from Davidson Medical Group to State Farm for treatment code 99205 which requires 60 minutes face-to-face contact with patient, and treatment codes 95851 and 97535, each of which is already included in treatment code 99205 (J.M. 9/14/99)
2(d)	10/21/99	<b>Ghost Visits:</b> False claims totaling \$195 from Davidson Medical Group to Blue Cross for dates 10/1/99, 10/8/99 and 10/15/99 (A.G., starting 4/13/99)

**Racketeering**

<b>Act</b>	<b>Date</b>	<b>Mailed Matter</b>
2(e)	5/11/00	<b>Double Billing:</b> False claims totaling \$470 from Davidson

		Medical Group to both Blue Cross and Erie for the same treatment on 11/8/99 and 1/5/00 (P.G. 10/15/99)
2(f)	6/15/00	<b>Upcoding:</b> False claim from Davidson Medical Group to American Independent Insurance Company (“American Independent”) for treatment code 99205 which requires 60 minutes face-to-face contact with patient (M.K. 4/24/00)
2(g)	6/29/00	<b>Upcoding and Double Billing:</b> False claim from Davidson Medical Group to Hamilton Insurance Company (“Hamilton”) for treatment code 99205 which requires 60 minutes face-to-face contact with patient, and treatment codes 95851 and 97535, each of which is already included in treatment code 99205 (B.F. 9/24/99)
2(h)	7/11/00	<b>Upcoding and Double Billing:</b> False claim from Davidson Medical Group to Flagship Insurance Company (“Flagship”) for 2/9/00, treatment code 99205 which requires 60 minutes face-to-face contact with patient; and treatment codes 95851 and 97535, each of which is already included in treatment code 99205 (M.B. 1/26/00)
2(i)	9/14/00	<b>Upcoding and Double Billing:</b> False claim from Davidson Medical Group to Liberty Mutual Insurance Company (“Liberty”) for treatment code 99205 which requires 60 minutes face-to-face contact with patient, and treatment codes 95851 and 97535, each of which is already included in treatment code 99205 (G.B. 9/9/00)
2(j)	10/2/00	<b>Double Billing:</b> False claim from Davidson Medical Group to American Independent for treatment code 95851 which is included in treatment code 99205 (M.K. 4/24/00)
2(k)	10/2/00	<b>Double Billing:</b> False claim from Davidson Medical Group to American Independent for treatment code 97535 which is included in treatment code 99205 (R.P. 9/28/00)

**Racketeering  
Act**

**Date**

**Mailed Matter**

2(l)                      10/2/00                      **Upcoding and Double Billing:** False claim from Davidson Medical Group to Geico Insurance Company (“Geico”) for treatment code 99205 which requires 60 minutes face-to-face contact with patient, and treatment codes 95851 and 97535, each of which is already included in treatment code 99205 (R.P. 9/28/00)

**B.     ARSON**

**Racketeering Act 3: Arson**

69.     Champlost Family Practice was a medical office, incorporated in the Commonwealth of Pennsylvania, and located at 6001 Old York Road in Philadelphia.

70.     Champlost Family Practice employed chiropractors who provided chiropractic and physical therapy services to patients. Champlost Family Practice routinely submitted claims for reimbursement to insurance companies in various states, for services provided to insured patients.

71.     Midtown Medical Center was a medical office, incorporated in the Commonwealth of Pennsylvania, and located at 427 West Tabor Road in Philadelphia.

72.     Midtown Medical Center employed chiropractors who provided chiropractic and physical therapy services to patients. Midtown Medical Center routinely submitted claims for reimbursement to insurance companies in various states, for services provided to insured patients.

73.     Champlost Family Practice opened for business on September 23, 1992 at a location close to North Philadelphia Therapy.

74.     Midtown Medical Center opened for business on November 18, 1998 at a location close to North Philadelphia Therapy.

75. In approximately January, 1998, defendant Joseph Davidson directed defendant Lamont McLaurin to burn down the Champlost Family Practice. Defendant Davidson paid defendant McLaurin approximately \$10,000 to commit the arson.

76. In approximately April, 1998, defendant Lamont McLaurin paid two other individuals known to the United States Attorney to set fire to the Champlost Family Practice. On April 5, 1998, pursuant to the direction of defendants Joseph Davidson and Lamont McLaurin, the Champlost Family Practice building was damaged and destroyed by fire.

77. In approximately February, 1999, defendant Joseph Davidson directed defendant Lamont McLaurin to burn down the Midtown Medical Center. Defendant Davidson paid defendant McLaurin approximately \$10,000 to commit the arson.

78. On February 19, 1999, defendant Lamont McLaurin set fire to the Midtown Medical Center, which damaged and destroyed the building.

79. The defendants named below committed the following acts of racketeering, any one of which constitutes the commission of Racketeering Act 3:

80. On or about the dates listed below, in the Eastern District of Pennsylvania and elsewhere, defendants

**JOSEPH DAVIDSON and  
LAMONT MCLAURIN**

and others known to the United States Attorney intentionally started a fire and aided, counseled, paid and agreed to pay others to cause a fire, with the intent of damaging and destroying by means of fire, a building described below, in violation of Pennsylvania Consolidated Statute Title 18, Section 3301(c):

<b>Racketeering Act</b>	<b>Date</b>	<b>Building Description</b>
3(a)	April 5, 1998	Champlost Family Practice, 6001 Old York Road, Philadelphia, PA
3(b)	February 19, 1999	Midtown Medical Center, 427 West Tabor Road, Philadelphia, PA
3(c)	January 5, 1998	Champlost Family Practice
3(d)	January 25, 1998	Champlost Family Practice

**C. EXTORTION**

**Racketeering Act 4: Attempted Extortion by Force and Violence**

81. In or about November 1999, defendant Joseph Davidson fired Dr. S., a chiropractor known to the United States Attorney, who had previously worked as a chiropractor for Davidson at Davidson Medical Group, 1327 DeKalb Street, Norristown, Pennsylvania.

82. In or about November 1999, Dr. S opened a competing medical clinic called Swede Chiropractic Center, located at 611 Swede Street, Norristown, Pennsylvania.

83. Swede Chiropractic Center employed chiropractors who provided chiropractic and physical therapy services to patients. Swede Chiropractic Center routinely submitted claims for reimbursement to insurance companies in various states, for services provided to insured patients.

84. Swede Chiropractic Center was located less than five blocks away from the Davidson Medical Group.

85. In or about November 1999, defendant Joseph Davidson told a person known to the United States Attorney that he was having “problems with certain people,” who

were “stepping on his toes” by opening a medical office too close to him, which office was taking business away from the Davidson Medical Group.

86. In or about November 1999, defendant Joseph Davidson directed a person known to the United States Attorney to assault and intimidate Dr. S., in order to try to regain the business that defendant Davidson believed the Davidson Medical Group had lost, and would continue to lose, to Swede Chiropractic Center.

87. On or about November 30, 1999, defendant Joseph Davidson directed defendant Lamont McLaurin to assault and intimidate Dr. S., in order to try to regain the business that defendant Davidson believed the Davidson Medical Group had lost, and would continue to lose, to Swede Chiropractic Center.

88. In or around January 2000, defendant Joseph Davidson directed a person unknown to the United States Attorney to telephone Dr. S. to warn him that he had missed him last night but was going to kill him.

89. In or around January 2000, a person known to the United States Attorney played for Dr. S., a voice mail message that had been left for defendant Davidson, in which the caller apologized to defendant Davidson for missing him, referring to Dr. S., but promised that he would get him the next time.

90. In or around January 2000, defendant Joseph Davidson drove past Swede Chiropractic Center while making a hand gesture of cutting his throat.

91. On or about February 2, 2000, defendant Joseph Davidson paid defendant Lamont McLaurin \$8,500 to assault and intimidate Dr. S., in order to try to regain the business that defendant Davidson believed the Davidson Medical Group had lost, and would continue to

lose, to Swede Chiropractic Center.

92. The defendants named below committed the following acts of racketeering, any one of which constitutes the commission of Racketeering Act 4:

93. On or about the dates listed below, in the Eastern District of Pennsylvania and elsewhere, defendants

**JOSEPH DAVIDSON and  
LAMONT MCLAURIN**

and others known and unknown to the United States Attorney, obstructed, delayed and affected commerce and the movement of articles and commodities in commerce, and attempted to do so, by extortion, in that, defendants attempted to obtain the property of the individual listed below, with his consent having been induced by the wrongful use of actual and threatened force and violence, in violation of Title 18, United States Code, Section 1951(a):

<b>Racketeering Act</b> _____	<b>Approximate Date</b>	<b>_____Description</b>
4(a)	January 2000	Lamont McLaurin directed one individual to physically assault Dr. S. at the direction of and on behalf of defendant Joseph Davidson.
4(b)	February 2000	Lamont McLaurin directed two individuals to physically assault Dr. S. at the direction of and on behalf of defendant Joseph Davidson.

All in violation of Title 18, United States Code, Section 1962(c).

## **COUNT TWO**

### **THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:**

At all times material to this Information:

1. Defendant JOSEPH DAVIDSON, D.C. was a chiropractor licensed to practice chiropractic in the Commonwealth of Pennsylvania.
2. Defendant CHRISTOPHER BOUCHER, D.C. was a chiropractor licensed to practice chiropractic in the Commonwealth of Pennsylvania.
3. West Philadelphia Therapy (“WPT”) was a legal entity incorporated in the Commonwealth of Pennsylvania on December 17, 1996, under TIN 23-2874903, at 4006 Lancaster Avenue, Philadelphia, Pennsylvania. Defendant Joseph Davidson was the de facto owner of West Philadelphia Therapy.
4. North Philadelphia Therapy (“NPT”) was a legal entity incorporated in the Commonwealth of Pennsylvania on July 1, 1997, under TIN 23-2763483, at 5729 Broad Street, Philadelphia, Pennsylvania. Defendant Joseph Davidson was the de facto owner and CEO of North Philadelphia Therapy.
5. Center City Medical (“CCM”) was a legal entity incorporated in the Commonwealth of Pennsylvania on December 17, 1996, under TIN 23-2874904, at 1329 Race Street, Philadelphia, Pennsylvania. Defendant Joseph Davidson was the owner and CEO of Center City Medical.
- \_\_\_\_\_ 6. From in or around January 1997, through on or about April 17, 2001, in the Eastern District of Pennsylvania, defendant

**CHRISTOPHER BOUCHER, D.C.**



knowingly and willfully executed a scheme and artifice to defraud health care benefit programs administered by Nationwide Insurance Company, Geico Insurance Company, State Farm Insurance Company, Allstate Insurance Company, American Independent Insurance Company, Liberty Mutual Insurance Company, Erie Insurance Company, Progressive Insurance Company, Travelers Insurance Company, Keystone Insurance Company, Hartford Insurance Company, Colonial Penn Insurance Company, Providence Insurance Company, Kemper Insurance Company, Deerbrook Insurance Company, and AIG Insurance Company, and to obtain money and property, owned by and under the custody and control of those health care benefit programs, by means of false and fraudulent pretenses, representations, and promises, in connection with the delivery of and payment for health care benefits, items, and services, by creating and submitting more than 1,584 false and fraudulent health care insurance claims for medical treatment purportedly provided by WPT, NPT and CCM to various persons known and unknown to the United States Attorney, when he knew that the claims overstated, in the approximate total amount of \$1,000,000, the medical treatment, if any, that the various insured individuals received from these medical providers.

In violation of Title 18, United States Code, Section 1347.

### **COUNT THREE**

#### **THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:**

At all times material to this Information:

1. Paragraphs 1 through 5 of Count Two are incorporated here.
2. Defendant BRIAN S. TORCHIN, D.C. was a chiropractor licensed to practice chiropractic in the Commonwealth of Pennsylvania.
3. South Philadelphia Therapy ("SPT") was a legal entity incorporated in the Commonwealth of Pennsylvania on May 8, 1998, under TIN 23-2874903, at 1801 South 20th Street, Philadelphia, Pennsylvania. Defendant Joseph Davidson was the de facto owner of South Philadelphia Therapy. \_\_\_\_\_
- \_\_\_\_\_4. From in or around March 1996 through on or about April 10, 2001, in the Eastern District of Pennsylvania, defendant

#### **BRIAN S. TORCHIN, D.C.**

knowingly and willfully executed a scheme and artifice to defraud health care benefit programs administered by Nationwide Insurance Company, Geico Insurance Company, State Farm Insurance Company, Allstate Insurance Company, American Independent Insurance Company, Liberty Mutual Insurance Company, Erie Insurance Company, Progressive Insurance Company, Travelers Insurance Company, Keystone Insurance Company, Hartford Insurance Company, Colonial Penn Insurance Company, Providence Insurance Company, Kemper Insurance Company, Deerbrook Insurance Company, and AIG Insurance Company, and to obtain money and property, owned by and under the custody and control of those health care benefit programs, by means of false and fraudulent pretenses, representations, and promises, in connection with the delivery of

and payment for health care benefits, items, and services, by creating and submitting more than 2,597 false and fraudulent health care insurance claims for medical treatment purportedly provided by SPT, CCM, WPT and DMG to various persons known and unknown to the United States Attorney, when he knew that the claims overstated, in the approximate total amount of \$5,000,000, the medical treatment, if any, that the various insured individuals received from these medical providers.

In violation of Title 18, United States Code, Section 1347.

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**PATRICK L. MEEHAN**  
**UNITED STATES ATTORNEY**